

MOTION BY SUPERVISORS DON KNABE AND
SHEILA KUEHL

November 9, 2016

Twenty two years ago, on July 1, 1994, Los Angeles County's Lifeguard Division was transferred into the Fire Department, which is also known as the Consolidated Fire Protection District of Los Angeles County (Fire District), for purposes of public safety. This merger has been highly successful, with the consolidation of life-safety operations and a shared mission: to protect lives, the environment, and property by providing prompt, skillful, and cost-effective fire protection and life safety services.

Over the last two decades in the Fire District, the Lifeguard Division has continued to fulfill its responsibility to that mission and the public. The Fire District's Lifeguard Division is widely recognized as a leader in beach safety and ocean rescue operations, with more than 10,000 water rescues annually, along the 72 miles of Los Angeles County coastline.

While the merger has been very successful for both the citizens of Los Angeles County as well as the millions of visitors to the County, the budget for the Lifeguard Division is relatively unstable, as County revenues and property taxes fluctuate with the real estate market. In addition, the May 1994 Memorandum of Understanding (MOU),

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which governs operations and responsibilities of the County and the Fire District, does not clearly delineate financial responsibility between the two parties. The County of Los Angeles and the Fire District should amend the agreement to provide greater clarity and long-term expectations in both of these areas.

WE, THEREFORE, MOVE that the Board of Supervisors direct the Chief Executive Officer to amend the County's May 24, 1994, MOU with the Fire District to:

1. Clarify the historical fiscal sharing ratio between the County general fund and the Fire District, with the County responsible for 70 percent of Lifeguard Division's operating cost and the Fire District responsible for the remaining 30 percent.
2. Update the fiscal sharing ratio by establishing a Fiscal Year 2016-17 base transfer of \$33,302,000 in County general fund (net County cost) to the Fire District, which will be adjusted each subsequent fiscal year, beginning in Fiscal Year 2017-18, to include:
 - a. The County's share (70 percent) of negotiated increases to salary and centrally funded employee benefit expense, and
 - b. The County's share (70 percent) of the Consumer Price Index (CPI) increases to non-salary expenses.
 - CPI shall be defined as the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area (Los Angeles-Riverside-Orange County, CA), as published by the United States Bureau of Labor Statistics, and shall

be no greater than the Net Growth in Assessed Valuation, as determined each year by the County Assessor.

- c. A provision that, in fiscal years with budget curtailments, the County's share of non-salary expense shall be subject to a curtailment equal to the average County curtailment by department.
 - d. The updated annual transfer amounts shall be considered to satisfy 100 percent of the County's obligations for the Lifeguard Division's operations, which include but are not limited to: salaries and employee benefits, retirement, services and supplies, vehicles, boats, equipment, capital assets, facilities, capital projects and deferred maintenance.
3. Establish an initial term for the amended MOU of ten years, with a provision that the MOU will automatically be extended unless action is taken by either party to terminate the agreement, which may occur at any time, with thirty days prior written notice.

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